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**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS**  
**AND SUBSIDIARIES**

**FINANCIAL STATEMENTS**

**JUNE 30, 2009 AND 2008**

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Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 2/17/10

**P&N** Postlethwaite  
& Netterville

A Professional Accounting Corporation

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**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS**  
**AND SUBSIDIARIES**

**FINANCIAL STATEMENTS**

**JUNE 30, 2009 AND 2008**

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Report of Independent Auditors

Most Reverend Gregory M. Aymond and the Board of Directors,  
Catholic Charities Archdiocese of New Orleans and Subsidiaries, New Orleans, Louisiana

We have audited the accompanying consolidated statements of financial position of Catholic Charities Archdiocese of New Orleans (the Agency) and Subsidiaries (nonprofit organizations) as of June 30, 2009 and 2008 and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended. These financial statements are the responsibility of the Agency's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Agency's internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Agency at June 30, 2009 and 2008, and the results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 7, 2009 on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audits were performed for the purpose of forming an opinion on the basic consolidated financial statements of Catholic Charities Archdiocese of New Orleans and Subsidiaries taken as a whole. The supplemental information contained on pages 24 through 32 is presented for purposes of additional analysis and is not a required part of the basic consolidated financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic consolidated financial statements taken as a whole. The supplemental information in the schedule of support, revenue, and expenses prepared for the United Way for the Greater New Orleans Area contained on page 33 is presented for purposes of additional analysis and is not a required part of the basic financial statements of the Agency. Such information has not been subjected to the auditing procedures applied in the audit of the basis financial statements, and accordingly, we do not express an opinion on it.

*Postlethwaite & McHerville*

Metairie, Louisiana  
December 7, 2009

**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES**  
**NEW ORLEANS, LOUISIANA**

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

June 30, 2009 and 2008

**ASSETS**

	<u>2009</u>	<u>2008</u>
Cash	\$ 6,776,307	\$ 6,346,188
Program accounts receivable	6,276,128	6,157,203
Unconditional promises to give:		
Pledges	4,134,970	12,966,058
United Way	1,228,151	1,010,625
Due from related party	429,900	742,089
Other receivables	1,591,626	2,171,832
Undistributed food on hand	1,962,669	2,148,910
Prepaid expenses and deferred charges	287,778	248,213
Investments	10,846,393	13,106,489
Property and equipment - net	<u>20,454,000</u>	<u>19,858,622</u>
Total assets	<u>\$ 53,987,922</u>	<u>\$ 64,756,229</u>

**LIABILITIES AND NET ASSETS**

Liabilities:		
Accounts payable and accrued expenses	\$ 3,175,395	\$ 7,000,561
Deferred revenue	59,501	96,612
Unemployment accrual	151,784	144,061
Accrual for uninsured claims	3,207,500	2,650,000
Loans payable	103,612	128,114
Funds held for others	<u>221,893</u>	<u>200,783</u>
Total liabilities	<u>6,919,685</u>	<u>10,220,131</u>
Net assets:		
Unrestricted	25,413,733	28,693,426
Temporarily restricted	19,743,699	23,577,093
Permanently restricted	<u>1,910,805</u>	<u>2,265,579</u>
Total net assets	<u>47,068,237</u>	<u>54,536,098</u>
Total liabilities and net assets	<u>\$ 53,987,922</u>	<u>\$ 64,756,229</u>

See notes to consolidated financial statements.

**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES**  
**NEW ORLEANS, LOUISIANA**

**CONSOLIDATED STATEMENTS OF ACTIVITIES**

For the years ended June 30, 2009 and 2008

	Unrestricted	Temporarily Restricted	Permanently Restricted	2009 Totals	Unrestricted	Temporarily Restricted	Permanently Restricted	2008 Totals
<b>Revenues</b>								
Public support:								
Contributions	\$ 7,200,635	\$ 4,271,471	\$ -	\$ 11,472,106	\$ 6,846,768	\$ 4,453,369	\$ 7,927	\$ 11,308,064
Contributed goods and services	22,199,503	-	-	22,199,503	17,701,517	-	-	17,701,517
United Way								
Greater New Orleans:								
Allocations	100,000	1,120,430	-	1,220,430	61,200	1,456,482	-	1,517,682
Designations	145,843	-	-	145,843	111,286	-	-	111,286
Combined Federal Campaign	74,638	-	-	74,638	27,496	-	-	27,496
St. Charles Parish:								
Allocations	56,910	247,950	-	304,860	50,300	125,000	-	175,300
St. John Parish:								
Allocations	78,100	33,333	-	111,433	70,000	-	-	70,000
Acadiana:								
Allocations	30,000	-	-	30,000	25,952	-	-	25,952
Special events (net of direct costs)	113,021	-	-	113,021	182,952	-	-	182,952
Total public support	29,998,650	5,673,184	-	35,671,834	25,077,471	6,034,851	7,927	31,120,249
Governmental financial assistance:								
Federal	28,952,554	62,955	-	29,015,509	31,186,809	-	-	31,186,809
Other governmental agencies	6,298,744	-	-	6,298,744	6,010,377	-	-	6,010,377
Total governmental financial assistance	35,251,298	62,955	-	35,314,253	37,197,186	-	-	37,197,186
Other Revenue:								
Program service fees	2,540,234	-	-	2,540,234	2,400,187	-	-	2,400,187
Rent	119,393	-	-	119,393	174,057	-	-	174,057
Miscellaneous	150,641	-	-	150,641	123,154	-	-	123,154
Gain (loss) on disposition of property	(829,824)	-	-	(829,824)	-	-	-	-
Property recoveries	2,109,103	-	-	2,109,103	1,431,639	-	-	1,431,639
Net assets released from restrictions - operations	9,066,391	(9,066,391)	-	-	(12,067,190)	-	(136,038)	-
Total other revenue	13,155,938	(9,066,391)	-	4,089,547	16,332,265	(12,067,190)	(136,038)	4,129,037
Total revenue	78,405,886	(3,330,252)	-	75,075,634	78,606,922	(6,032,339)	(128,111)	72,446,472
<b>Expenses</b>								
Program services	75,963,551	-	-	75,963,551	70,256,906	-	-	70,256,906
Management and general	3,126,796	-	-	3,126,796	3,046,943	-	-	3,046,943
Fundraising	1,253,111	-	-	1,253,111	990,754	-	-	990,754
Total expenses	80,343,458	-	-	80,343,458	74,294,603	-	-	74,294,603
Change in net assets before investment loss	(1,937,572)	(3,330,252)	-	(5,267,824)	4,312,319	(6,032,339)	(128,111)	(1,848,131)
Investment loss	(1,342,121)	(503,142)	(354,774)	(2,200,037)	(283,246)	(207,205)	(213,384)	(703,835)
Change in net assets	(3,279,693)	(3,833,394)	(354,774)	(7,467,861)	4,029,073	(6,239,544)	(341,495)	(2,551,966)
<b>Net Assets</b>								
Beginning of year	28,693,426	23,577,093	2,265,579	54,536,098	24,664,353	29,816,637	2,607,074	57,088,064
End of year	\$ 25,413,733	\$ 19,743,699	\$ 1,910,805	\$ 47,068,237	\$ 28,693,426	\$ 23,577,093	\$ 2,265,579	\$ 54,536,098

See notes to consolidated financial statements.

## CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES

2009

2008

See notes to consolidated financial statements.



**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES**  
**NEW ORLEANS, LOUISIANA**

**CONSOLIDATED STATEMENTS OF CASH FLOWS**

For the years ended June 30, 2009 and 2008

	<u>2009</u>	<u>2008</u>
<b>Cash Flows from Operating Activities</b>		
Change in net assets	\$ (7,467,861)	\$ (2,551,966)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Permanently restricted contributions	-	(7,927)
Depreciation	1,765,884	1,600,619
Amortization	11,418	10,467
Loss on investments, net	2,626,596	1,375,718
Provision for uninsured claims	557,500	545,000
Loss on disposal of property and equipment	829,824	3,264
Change in assets and liabilities:		
Accounts receivable	9,387,032	11,556,500
Prepaid expenses and deferred charges	(50,983)	359,171
Undistributed food on hand	186,241	(698,383)
Accounts payable and accrued expenses	(3,817,443)	(5,398,576)
Deferred revenue	(37,111)	89,477
Net cash provided by operating activities	<u>3,991,097</u>	<u>6,883,364</u>
<b>Cash Flows from Investing Activities</b>		
Purchases of investments, net	(366,500)	(173,382)
Purchases of property and equipment	(3,203,728)	(5,249,036)
Proceeds from sale of property and equipment	<u>12,642</u>	<u>-</u>
Net cash used in investing activities	<u>(3,557,586)</u>	<u>(5,422,418)</u>
<b>Cash Flows from Financing Activities</b>		
Proceeds from contributions, permanently restricted	-	7,927
Funds held for the accounts of others	21,110	(637,891)
Repayment of loans payable	<u>(24,502)</u>	<u>(24,986)</u>
Net cash used in financing activities	<u>(3,392)</u>	<u>(654,950)</u>
<b>Net increase in cash</b>	430,119	805,996
<b>Cash</b>		
Beginning of year	6,346,188	5,540,192
End of year	<u>\$ 6,776,307</u>	<u>\$ 6,346,188</u>
<b>Supplemental Disclosure of Cash Flow Information</b>		
Cash paid during the year for interest expense	<u>\$ 11,744</u>	<u>\$ 21,398</u>

See notes to consolidated financial statements.

**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES**  
**NEW ORLEANS, LOUISIANA**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**JUNE 30, 2009 AND 2008**

**1. Organization and Significant Accounting Policies**

Catholic Charities Archdiocese of New Orleans (the "Agency"), a not-for-profit charitable organization of the Roman Catholic Church of the Archdiocese of New Orleans (the "Archdiocese"), operates health and community-based programs and provides administrative support and financial management services to separately operated charitable programs which it sponsors. The accompanying financial statements include the accounts of all charitable programs which it operates or sponsors.

The Agency has the ownership of PHILMAT, Inc., PACE Greater New Orleans, and Second Harvest Food Bank of Greater New Orleans and Acadiana as follows:

- PHILMAT, Inc. ("PHILMAT") was organized to provide health and community services to individuals within Louisiana. PHILMAT acts as local agent for the commodity supplemental food and warehouse program, Food for Families/Food for Seniors. Under this program, food provided by the United States Department of Agriculture (U.S.D.A.) is distributed by PHILMAT to eligible women, infants, children, and senior citizens, who are classified as low income and vulnerable to malnutrition.
- PACE Greater New Orleans ("PACE") is the corporate title for the Program for All-inclusive Care for the Elderly, a national model of healthcare for seniors. PACE was organized to provide community services such as medical treatment, social services, meals, activities, and transportation, allowing seniors to spend their final years at home rather than in a nursing home.
- Second Harvest Food Bank of Greater New Orleans and Acadiana ("Second Harvest") is a certified member of Feeding America (formerly known as America's Second Harvest, The Nation's Food Bank Network). Its function is to help relieve the problem of hunger in Louisiana through the distribution of food and related products to qualified charitable institutions.

The financial statements of each of these subsidiaries are included in the consolidated financial statements. All significant inter-organizational accounts and transactions have been eliminated.

**Income Taxes**

The Agency and Subsidiaries are nonprofit corporations organized under the laws of the State of Louisiana. They are exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code, and qualify as organizations that are not private foundations as defined in Section 509(a) of the code.

**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES**  
**NEW ORLEANS, LOUISIANA**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**JUNE 30, 2009 AND 2008**

**1. Organization and Significant Accounting Policies (continued)**

**Basis of Accounting**

The consolidated financial statements of the Agency and Subsidiaries are prepared on the accrual basis of accounting.

**Financial Statement Presentation**

Statement of Financial Standards No. 117, "Financial Statements of Not-For-Profit Organizations", requires reporting of information regarding financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted net assets based on donor stipulations and restrictions placed on contributions, if any. Accordingly, net assets and changes therein are classified and reported as follows:

- Unrestricted net assets - Contracts for services, contributions, and other revenues and expenditures of funds for the general operation of its programs.
- Temporarily restricted net assets - Contributions and other revenues specifically authorized by the donor or grantor to be used for specific purposes or to benefit specific accounting periods.
- Permanently restricted net assets - Contributions with donor-imposed restrictions that stipulate that resources be maintained permanently, but permits the use of all or part of the income derived.

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

**Contributions**

Contributions are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence or nature of any donor restrictions. Support that is restricted by a donor is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of restrictions. When a restriction expires (that is, when a stipulated time restriction ends or a purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Donor restricted contributions whose restrictions are met in the same reporting period are reported as unrestricted support. The value of contributed goods and services has been recorded as support and revenue and expense in the period received, provided there is an objective basis for measurement of the value of such goods and services and they are significant and form an integral part of the efforts of the program.

**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES**  
**NEW ORLEANS, LOUISIANA**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**JUNE 30, 2009 AND 2008**

**1. Organization and Significant Accounting Policies (continued)**

***Promises to Give***

Contributions are recognized when the donor makes a promise to give to the Agency and Subsidiaries that is in substance, unconditional. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

***Functional Expenses***

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

***Investments***

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair value based on available market quotes in the consolidated statements of financial position and as increases or decreases in unrestricted net assets unless their use is temporarily or permanently restricted by explicit donor stipulations or law. Unrealized gains that are restricted by donors are reported as increases in temporarily restricted net assets. Unrealized gains absence restriction and unrealized losses are reported as increases and decreases in unrestricted net assets.

Interest earned on donor-restricted investments is reported based on the existence or absence of donor-imposed restrictions. The Agency's endowments provide for a certain percentage of current year earnings to be returned to the endowment for perpetual investment. The return of these earnings is reported as increases in permanently restricted net assets. The remaining earnings are recorded as *increases in unrestricted net assets and are available to the Agency for distribution in accordance with the endowment agreement or may be returned to the endowment by the Agency for perpetual investment.*

Realized gains and losses, and declines in value judged to be other than temporary, are included in net appreciation (depreciation) of investments. Realized gains and losses on the sales of securities are determined using the specific-identification method. A decline in the fair value of investments below cost that is deemed to be other than temporary results in a charge to change in net assets and the establishment of a new cost basis for the investment.

**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES**  
**NEW ORLEANS, LOUISIANA**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**JUNE 30, 2009 AND 2008**

**1. Organization and Significant Accounting Policies (continued)**

**Program Accounts Receivable**

Program accounts receivable represent billings which are based primarily on cost reimbursement or unit cost contracts with various governmental agencies. Program accounts receivable are stated at the amount management expects to collect from outstanding balances. Management considered subsequent collection results and wrote off all year-end balances that were deemed to be not collectible. Accordingly, a valuation allowance was determined to be unnecessary.

**Funds Held for Others**

The Agency and Subsidiaries receive funds that are passed through to other third-parties. These amounts are held until requested by and reimbursed to the third-party.

**Undistributed Food on Hand**

Food and grocery products donated to Second Harvest and distributed by it to its beneficiaries and the undistributed food and grocery products on hand are valued at an average wholesale value as determined by a survey conducted by Feeding America. The average wholesale value used for the years ended June 30, 2009 and 2008 was \$1.58 and \$1.49 per pound, respectively.

U.S.D.A. products are valued using commodity prices provided by the Louisiana State Department of Agriculture and Forestry. The average per pound value for U.S.D.A. Commodities for the years ended June 30, 2009 and 2008 was \$0.56 and \$0.35, respectively.

**Property and Equipment**

Property and equipment are carried at cost or, when acquired by donation or gift, at appraised values with subsequent additions at cost. The Agency and Subsidiaries' policy is to capitalize expenditures for these items in excess of \$2,000. Lesser amounts are expensed. Depreciation is provided using the straight-line basis over the estimated useful lives of the depreciable assets. Leasehold improvements are amortized over the shorter of the lease term or the estimated useful lives of the improvements.

The estimated useful lives used in determining depreciation and amortization follow:

<u>Classification</u>	<u>Lives in Years</u>
Buildings and improvements	20 - 60
Leasehold improvements	10 - 40
Equipment	5
Vehicle	3 - 5

**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES**  
**NEW ORLEANS, LOUISIANA**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**JUNE 30, 2009 AND 2008**

**1. Organization and Significant Accounting Policies (continued)**

**Donated Facilities and Services**

Donations of facilities are recorded as support at their estimated fair value at the date of donation. Such donations are reported as unrestricted support unless the donor has restricted the donated assets to a specific purpose. Support arising from donated services is recognized if the services received (a) create or enhance long-lived assets, or (b) require specialized skills, provided by individuals possessing these skills, and would typically need to be purchased if not provided by donation.

During the years ended June 30, 2009 and 2008, the Agency and Subsidiaries recognized approximately \$1.0 million and \$1.6 million, respectively, of donated facilities and services which are reflected in the consolidated statement of activities in the respective functional expenses categories. The Agency and Subsidiaries received other donated services in its various programs during the years ended June 30, 2009 and 2008. These services provided do not meet either criteria described above and are not reflected in the consolidated statement of activities.

**Cash and Cash Equivalents**

For the purposes of the statements of cash flows, cash and cash equivalents include bank deposits. The Agency and Subsidiaries' money market accounts are included in investments.

**Reclassifications**

Certain accounts in the 2008 financial statements have been reclassified to conform to the current year presentation.

**2. Promises to Give**

Contributions and private grants receivable are included in the consolidated financial statements as unconditional promises to give and revenue of the appropriate net asset category. Unconditional promises to give as of June 30, 2009 are expected to be collected in the following periods:

In less than one year	\$	3,601,309
One to five years		<u>620,000</u>
		4,221,309
Less unamortized discount		<u>86,339</u>
Total	\$	<u><u>4,134,970</u></u>

**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES**  
**NEW ORLEANS, LOUISIANA**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**JUNE 30, 2009 AND 2008**

**3. Investments**

Investments of the various agencies of the Archdiocese have been pooled to maximize the return on the investments. Investments in the common investment pool consist primarily of debt and equity securities and mutual fund investments. The amounts recorded in the consolidated statement of financial position represent the Agency and Subsidiaries' share of the pool.

The following summarizes the market value and the investment return for the years ended June 30:

	<u>2009</u>	<u>2008</u>
Balances at June 30	\$ 10,846,393	\$ 13,106,489
For the year ended June 30,		
Unrealized loss on investments	\$ (2,535,595)	\$ (1,418,627)
Realized gain (loss) for the year	(1,712)	42,909
	<u>(2,537,307)</u>	<u>(1,375,718)</u>
Interest and dividend income	337,270	671,883
	<u>\$ (2,200,037)</u>	<u>\$ (703,835)</u>

The current and long-term value of investments at June 30, 2009 is \$6,105,024 and \$4,741,369, respectively. The current and long-term value of investments at June 30, 2008, is \$7,792,206 and \$5,314,283 respectively.

**4. Fair Value of Financial Instruments**

FASB Statement No. 157 defines fair value, establishes a framework for measuring fair value, and expands disclosure about fair value. Fair value concepts are applied in recording investments.

FASB Statement No. 157 establishes a fair value hierarchy which prioritizes inputs to valuation techniques used to measure fair value. The term "inputs" refers broadly to the assumptions that market participants would use in pricing an asset or liability. Inputs may be based on independent market data ("observable inputs") or they may be internally developed ("unobservable inputs"). The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad categories. These levels include Level 1, unadjusted quoted prices in active markets for identical assets or liabilities; Level 2, directly or indirectly observable inputs other than quoted prices for the asset or liability, such as the quoted market prices for similar assets or liabilities; and Level 3, unobservable inputs for use when little or no market data exists, therefore, requiring an entity to develop its own assumptions.

**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES**  
**NEW ORLEANS, LOUISIANA**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**JUNE 30, 2009 AND 2008**

**4. Fair Value of Financial Instruments (continued)**

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of the unobservable inputs.

Investments of the Agency and Subsidiaries are held in pooled assets and separately invested portfolios. The Agency and Subsidiaries' investments are in Portfolio A of the pool. The custodian of this portfolio uses independent pricing services, where available, to value the securities included in this portfolio. If an independent pricing service does not value a security or the value is not, in the view of the custodian, representative of the market value, the custodian will attempt to obtain a price quote from a secondary pricing source, which may include third party brokers, investment advisers, principal market makers, or affiliated pricing services. If a secondary source is unable to provide a price, the custodian may obtain a quotation from the counterparty that sold the security.

More specifically, the custodian uses quoted market prices for valuing government obligations, corporate stocks, and foreign equities which are all classified within Level 1 of the fair value hierarchy. The custodian uses quoted market prices, which represent the net asset value per unit, to value mutual and money market funds, which are also classified within Level 1 of the fair value hierarchy. Fixed income securities included in this portfolio, such as government agency mortgage obligations and corporate and foreign obligations are classified within Level 2 of the fair value hierarchy and are valued based on bid-side quotations or evaluated bids based on internal models used by the custodian's independent pricing service. Other alternative investments are valued at an evaluated price provided by a counterparty or fund manager that may or may not be an affiliate of the Portfolio A custodian.

Approximately 91% of the pool's investments are categorized as Level 1 and 2 and the remaining 9% is classified as Level 3 investments. At June 30, 2009, The Agency and Subsidiaries' investments were approximately 10% of the total investment pool.

**5. Endowments**

The Board of Agency and Subsidiaries is of the belief that they have a strong fiduciary duty to manage the assets of Agency and Subsidiaries' endowments in the most prudent manner possible. The Board recognizes the intent of the endowment is to protect the donor with respect to expenditures from endowments. If this intent is clearly expressed by the donor, whether the intent is in a written gift instrument or not, the intent of the donor is followed. If not expressed, the Board ensures the assets of the endowment are spent in a prudent manner which considers the purpose of the fund, current economic conditions, and preservation of the fund. To follow these principles, the historic value of the fund is always maintained in permanently restricted net assets.



**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES**  
**NEW ORLEANS, LOUISIANA**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**JUNE 30, 2009 AND 2008**

**5. Endowments (continued)**

The Second Harvest endowment requires earnings, including appreciation, that are not required by the donor to be reinvested in corpus are maintained in unrestricted net assets. As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. The Second Harvest endowment requires that five percent of the average market value of the investment for the last 12 fiscal quarters be distributed annually. All amounts in excess of the five percent distribution are to be reinvested as corpus. The amended "Agreement to Donate" also requires that the principal balance should never be reduced below \$1,000,000.

The Agency's endowment allows an annual income distribution that shall not exceed five percent of the endowment's year-end balance. Distributions are paid only from annual earnings. If an annual income distribution does not occur, earnings are added to principal for growth.

*Endowment Investment and Spending Policies.* Agency and Subsidiaries have adopted investment and spending policies, approved by the Board, for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of these endowment assets over the long-term. The endowment's assets are invested in the Archdiocese of New Orleans' investment pool, as previously described. Agency and Subsidiaries' spending and investment policies work together to achieve this objective. Spending is approved by the Board, based on the needs of Agency and Subsidiaries.

The table below represents the endowment related activity for the fiscal year ending June 30, 2009:

	<u>Unrestricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ 308,865	\$ 2,265,579	\$ 2,574,444
Net realized and unrealized gains/losses	(117,474)	(354,774)	(472,248)
Endowment net assets, end of year	<u>\$ 191,391</u>	<u>\$ 1,910,805</u>	<u>\$ 2,102,196</u>

**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES**  
**NEW ORLEANS, LOUISIANA**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**JUNE 30, 2009 AND 2008**

**6. Property and Equipment**

A summary of property and equipment at June 30 is as follows:

	<u>2009</u>	<u>2008</u>
Buildings and improvements	\$ 19,739,981	\$ 21,148,338
Leasehold improvements	4,375,009	2,854,743
Equipment	6,484,149	6,418,135
Vehicles	4,222,559	4,295,735
Construction in Progress	3,277,050	2,772,579
Land	<u>1,346,323</u>	<u>1,343,123</u>
	39,445,071	38,832,653
Less accumulated depreciation and amortization	<u>18,991,071</u>	<u>18,974,031</u>
Total property and equipment, net	<u>\$ 20,454,000</u>	<u>\$ 19,858,622</u>

During the year ended June 30, 2009 the children's residential program on the Hope Haven campus was closed. The Agency wrote off property and equipment used by this program resulting in a loss on disposal of \$833,666 which is included in the gain (loss) on disposition of property on the consolidated statements of activities.

**7. Loans Payable**

Loans payable at June 30 are summarized as follows:

	<u>2009</u>	<u>2008</u>
Mortgage notes payable in monthly installments approximating \$2,750, including interest at an annually adjustable rate (ranging from 2.909% to 7.86%); final installments due between December 2013 and July 2015; collateralized by real estate with a book value approximating in excess of the loan payable at June 30, 2009 and 2008.	<u>\$ 103,612</u>	<u>\$ 128,114</u>

**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES**  
**NEW ORLEANS, LOUISIANA**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**JUNE 30, 2009 AND 2008**

**7. Loans Payable (continued)**

Annual principal payments on loans payable for each of the next five years and in total thereafter at June 30, 2009 are as follows:

<b><u>Year Ending June 30,</u></b>	<b><u>Amount</u></b>
2010	\$ 28,654
2011	30,391
2012	27,574
2013	12,087
2014	4,906

Interest incurred during 2009 and 2008 all of which was charged to operations, totaled \$11,744 and \$21,332, respectively.

**8. Restrictions on Net Assets**

Temporarily restricted net assets are restricted by donors for specific programs, purposes, or to assist specific departments of the Agency and Subsidiaries. These restrictions are considered to expire when expenditures for restricted purposes are made.

The following sets forth the composition of temporarily restricted net assets at June 30.

	<b><u>2009</u></b>	<b><u>2008</u></b>
Restricted for hurricane relief	\$ 8,869,124	\$ 11,499,640
Restricted for relief services to children	2,849,427	3,360,554
Restricted for operations of Shirley Landry Benson PACE Center	760,293	1,392,501
Restricted for purchases of capital assets	1,153,320	1,172,318
United Way allocation for subsequent fiscal year	1,147,402	1,022,546
Other restrictions	4,964,133	5,129,534
Totals	<b><u>\$ 19,743,699</u></b>	<b><u>\$ 23,577,093</u></b>

**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES**  
**NEW ORLEANS, LOUISIANA**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**JUNE 30, 2009 AND 2008**

**8. Restrictions on Net Assets (continued)**

The following temporarily restricted net assets were released during the years ended June 30, due to satisfaction of donor restrictions:

	<u>2009</u>	<u>2008</u>
Restricted for hurricane relief	\$ 5,125,369	\$ 8,266,732
Restricted for PACE - Benson PACE Center	678,840	210,701
Restricted for purchases of capital assets	34,000	34,219
United Way allocation for subsequent fiscal year	1,213,909	1,537,050
Other restrictions	<u>2,014,273</u>	<u>2,018,488</u>
Totals	<u>\$ 9,066,391</u>	<u>\$ 12,067,190</u>

Permanently restricted net assets consist of endowment fund assets to be held indefinitely. The composition of permanently restricted net assets at June 30 is as follows:

	<u>2009</u>	<u>2008</u>
Endowment fund - Second Harvest	\$ 1,000,000	\$ 1,154,312
Endowment fund - Catholic Charities - Gift of Life	<u>910,805</u>	<u>1,111,267</u>
Totals	<u>\$ 1,910,805</u>	<u>\$ 2,265,579</u>

**9. Retirement Plans**

The Agency and Subsidiaries offer a 401(k) defined contribution plan to its employees. Employees electing to participate in the plan are required to contribute a minimum of 3% of their salaries, and may elect to contribute up to a 16% maximum. The plan requires the Agency and Subsidiaries to contribute 3.5% of the participants' salaries. The plan expense also includes an additional 2.0% contribution by the Agency and Subsidiaries to cover costs for life insurance and disability insurance for the employees. Any remaining funds from the 2.0% contribution may be used as a discretionary employer contribution to the plan. The plan administrator is the Archdiocese. The Agency and Subsidiaries contributed approximately \$408,000 and \$356,000, for the years ended June 30, 2009 and 2008, respectively.

**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES**  
**NEW ORLEANS, LOUISIANA**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**JUNE 30, 2009 AND 2008**

**10. Expenses by Program**

Details of total expenses by program for the years ended June 30, 2009 and 2008 are as follows:

	<u>2009</u>	<u>2008</u>
Adult Day Health Care	\$ 1,083,564	\$ 1,012,510
Community Centers and Services	9,345,377	11,447,907
Food For Families	4,710,434	4,611,009
Head Start	4,216,350	3,524,508
Hope Haven	2,223,753	7,475,836
Non-Residential Day Programs	7,538,589	7,211,347
PACE	5,213,718	3,312,154
Padua Pediatrics and Adult	4,964,254	4,542,573
Residential Special Needs	5,852,922	5,158,094
Second Harvest	35,194,497	25,998,665
Totals	<u>\$ 80,343,458</u>	<u>\$ 74,294,603</u>

**11. Related Party Transactions**

The Archbishop of New Orleans, head of the Archdiocese, is the sole member of the Agency. He also serves as president of other corporations, boards of trustees, and separate organizations sponsored by or operated under the auspices of the Archdiocese.

In the normal course of operations, the Archdiocese has made and, when necessary, would consider making available to the Agency and its affiliated agencies specific assistance in the form of operating subsidies, loans, use of facilities, and administrative support. During the years ended June 30, 2009 and 2008, the Agency and Subsidiaries received no direct operating subsidies from the Archdiocese. Charges for facilities and administrative support are at rates approximating costs to the related party.

The Agency has a line of credit with the Archdiocese for \$5.0 million at 4.2% annual interest. No amounts were outstanding as of June 30, 2009 or 2008.

Amounts due from the Archdiocese as of June 30, 2009 and 2008 were \$429,900 and \$742,089, respectively, due to hurricane related insurance proceeds received by the Archdiocese in excess of hurricane related repairs paid for by the Archdiocese.

The Agency also has a lease with a related party for approximately \$1,300 per month, expiring in October 2009.

**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES**  
**NEW ORLEANS, LOUISIANA**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**JUNE 30, 2009 AND 2008**

**12. Leases**

The Agency operates a portion of its community social service programs in leased facilities under operating leases expiring at various dates through the fiscal year 2012. The leases are subject to cancellation under certain circumstances, including substantial changes in funding in the Agency's programs. The following is a schedule by year of future minimum rental payments required under those leases and under equipment leases that have initial or remaining lease terms in excess of one year as of June 30, 2008.

<u>Year Ending June 30,</u>	<u>Amount</u>
2010	\$ 256,235
2011	94,559
2012	40,900
	<u>\$ 391,694</u>

The rental expense for all operating leases for the year ended June 30, 2009 and 2008 approximated \$1,283,000 and \$1,372,000, respectively.

**13. Significant Contracts and Grants**

For the years ended June 30, 2009 and 2008, \$13,810,317 and \$11,746,374, respectively, of the Agency and Subsidiaries' governmental financial assistance was from the U.S. Department of Health and Human Services and \$8,887,541 and \$6,607,162, respectively, of the Agency and Subsidiaries' governmental financial assistance was from the U.S. Department of Agriculture. Management believes that the Agency and Subsidiaries are in compliance with the provisions of these contracts and grants and that the findings of an audit, if any, would not have a material impact on the financial statements.

As of June 30, 2009 and 2008, the Agency and Subsidiaries have approximately \$735,000 and \$2,600,000 million of outstanding commitments for construction and other improvements related to their programs.

**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES**  
**NEW ORLEANS, LOUISIANA**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**JUNE 30, 2009 AND 2008**

**13. Significant Contracts and Grants (continued)**

For the years ended June 30, 2009 and 2008, Second Harvest entered into Cooperative Endeavor Agreements with the Louisiana Department of Agriculture & Forestry of the State of Louisiana for the sum of \$5,000,000 for each year. The purpose of the agreements was to purchase 6,000,000 pounds of nutritional food each year from Louisiana farmers, manufacturers, wholesalers and vendors to feed and adequately nourish people throughout the State of Louisiana who are food insecure. The program is titled Louisiana Nutrition Assistance Program (LANIAP). Subcontracts were entered into with Feeding America's certified member Food Banks located in the State of Louisiana (Food Banks) and Second Harvest detailing the amount each food bank was eligible to receive in purchased food products and the reporting requirements each food bank would have to fulfill. The five Food Banks created an association called the Louisiana Food Bank Association, Inc. (LFBA) which was incorporated as a non-profit corporation within the State of Louisiana on May 18, 2007. LFBA designated Second Harvest to serve as its fiscal agent. For the years ended June 30, 2009 and 2008, 9,672,945 and 9,887,845 pounds, respectively, had been purchased for the five Food Banks of the Louisiana Food Bank Association through the LANIAP program.

Food purchased under the agreement during the years ended June 30 is as follows:

	2009		2008	
	Dollars	Pounds	Dollars	Pounds
Second Harvest	\$ 2,418,378	4,917,246	\$ 2,446,490	4,725,475
Greater Baton Rouge Food Bank	768,750	1,489,095	775,674	1,669,442
Central Louisiana Food Bank	567,500	1,082,364	572,381	1,287,777
Food Bank of Northwest Louisiana	567,500	1,125,449	576,507	1,180,192
Food Bank of Northeast Louisiana	527,250	1,058,791	533,291	1,024,959
Totals	<u>\$ 4,849,378</u>	<u>9,672,945</u>	<u>\$ 4,904,343</u>	<u>9,887,845</u>

**14. Commitments, Contingencies, and Subsequent Events**

The Agency and Subsidiaries are exposed to various risks of loss from torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters; and employee health and accident benefits. Commercial insurance coverage is purchased for claims arising from such matters. There were no settled claims that exceeded this commercial coverage during the year ended June 30, 2009 and 2008.

The Agency and Subsidiaries are party to various litigations and other claims, the outcome of which cannot be presently determined. Although management intends to vigorously defend against such litigations and claims, \$3,207,500 and \$2,650,000 at June 30, 2009 and 2008, respectively, has been accrued for all matters. Management's opinion is that the outcome of such matters would not have a significant effect on the Agency and Subsidiaries financial position in excess of the amounts accrued.

**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES**  
**NEW ORLEANS, LOUISIANA**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**JUNE 30, 2009 AND 2008**

**14. Commitments, Contingencies, and Subsequent Events (continued)**

In September and October 2009, several litigation claims were settled. The Agency and Subsidiaries' liability for these settlements is \$1,852,500. In order to pay the settlements, the Agency made a draw down on the line of credit with the Archdiocese (Note 11) of \$1,852,500. The line of credit will be repaid in eight monthly installments.

Second Harvest signed an exchange agreement dated May 21, 2009. According to the agreement, Second Harvest will receive property at 700 Edward Avenue, Harahan, Louisiana and assume the existing mortgage on this property in the amount of \$5,228,989 in exchange for Second Harvest's warehouse located at 1201 Sams Avenue, Harahan, Louisiana. At June 30, 2009, the closing of the act of sale had not taken place.

**15. Concentrations of Credit Risk**

As of June 30, 2009, program accounts receivable consisted primarily of amounts due from governmental sources.

**16. PHILMAT Commodity Food Issued**

PHILMAT receives pass-thru funding from the LDHH to administer and distribute commodity foods issued by the Food For Families/Food For Seniors program. Pass-thru funding received by PHILMAT for their administration and distribution services totaled \$3,990,897 and \$4,339,432, for the years ended June 30, 2009 and 2008, respectively. Statistical information related to commodity foods issued by the Food for Families/Food for Seniors program during the years ended June 30, 2009 and 2008 included dollars of \$13,387,418 and \$17,792,915, respectively, and pounds of 19,842,610 and 22,126,237 respectively.

**17. Second Harvest Food and Grocery Products**

Second Harvest undistributed food and grocery products at June 30 consist of the following:

	2009		2008	
	Dollars \$	Pounds	Dollars \$	Pounds
Donated and purchased	\$ 1,320,930	910,384	\$ 1,858,663	1,245,820
U.S.D.A commodities	473,259	624,228	73,236	209,333
LANIAP purchased product	168,480	369,271	217,011	427,142
	<u>\$ 1,962,669</u>	<u>1,903,883</u>	<u>\$ 2,148,910</u>	<u>1,882,295</u>



**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES**  
**NEW ORLEANS, LOUISIANA**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**JUNE 30, 2009 AND 2008**

**17. Second Harvest Food and Grocery Products (continued)**

Second Harvest's receipts and distributions of food and grocery products (cash basis) for the years ended June 30 were as follows:

	2009		2008	
	Dollars	Pounds	Dollars	Pounds
Receipts:				
Donated products	\$ 21,214,366	13,426,814	\$ 15,708,767	10,542,796
Purchased product	221,840	299,738	464,708	176,367
U.S.D.A. commodities	3,816,754	6,702,993	1,462,852	3,397,438
LANIAP Purchased product	2,262,679	4,803,163	2,407,210	4,650,806
Totals	<u>\$ 27,515,639</u>	<u>25,232,708</u>	<u>\$ 20,043,537</u>	<u>18,767,407</u>
Distributions, net of adjustments:				
Donated products	\$ 21,758,094	13,770,944	\$ 15,210,027	10,100,483
Purchased product	215,845	291,045	459,384	174,398
Disaster products	-	-	19,301	14,512
U.S.D.A. commodities	3,416,731	6,288,098	1,466,243	3,413,623
LANIAP Purchased product	2,311,210	4,861,034	2,190,199	4,223,664
Totals	<u>\$ 27,701,880</u>	<u>25,211,121</u>	<u>\$ 19,345,154</u>	<u>17,926,680</u>

**18. Board of Directors Compensation**

The members of the Agency's board of directors were not compensated during the years ended June 30, 2009 and 2008.

**19. Hurricane Katrina**

On August 29, 2005, New Orleans and the surrounding area suffered a natural disaster, Hurricane Katrina. As a result, several programs of the Agency and its subsidiaries were impacted. The hurricane also delayed the opening of the PACE program until September 1, 2007. Since the date of the hurricane, the Agency was awarded grants from Catholic Charities USA for humanitarian aid in the amount of \$59.4 million of which \$52.7 million had been distributed through June 30, 2009. The remaining funds will be released from temporarily restricted net assets as needed.

The most significant physical damage to property owned by the Agency and Subsidiaries was the loss of a food warehouse used by the Food for Families/Food for Seniors program. The Agency and Subsidiaries participate in an insurance program sponsored by the Archdiocese of New Orleans. Since the damage to the warehouse was due to wind damage, the loss was fully covered by insurance. During the fiscal years ended June 30, 2009 and 2008, insurance recoveries received to rebuild the warehouse were approximately \$2.1 million and \$337,000, respectively.

**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES**  
**NEW ORLEANS, LOUISIANA**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**JUNE 30, 2009 AND 2008**

**20. Subsequent Events**

Management has evaluated subsequent events through the date that the financial statements were available to be issued, December 7, 2009, and determined that the following event requires disclosure. As described in Note 14, during fiscal year 2010, Second Harvest anticipates receiving property and assuming the existing mortgage on such property in the amount of \$5,228,989 in exchange for a Second Harvest warehouse located in Harahan, Louisiana. The exchange has not yet occurred.

**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES**  
**NEW ORLEANS, LOUISIANA**

**CONSOLIDATING STATEMENTS OF FINANCIAL POSITION**

	June 30, 2009						June 30, 2008					
	Catholic Charities	PHILMAT	PACE	Second Harvest	Eliminations	Totals	Catholic Charities	PHILMAT	PACE	Second Harvest	Eliminations	Totals
<b>ASSETS</b>												
Cash	\$ 1,463,030	\$ 800	\$ 488,282	\$ 5,317,863	\$ (493,668)	\$ 6,776,307	\$ 132,975	\$ 800	\$ 375,712	\$ 6,212,113	\$ (375,412)	\$ 6,346,188
Program accounts receivable	4,713,752	1,158,109	199,998	204,269	-	6,276,128	5,119,296	839,960	112,965	84,982	-	6,157,203
Unconditional promises to give:												
Pledges	3,217,674	-	713,661	803,635	(600,000)	4,134,970	12,390,000	-	1,072,396	103,662	(600,000)	12,966,058
United Way	1,088,201	-	-	139,950	-	1,228,151	1,010,625	-	-	-	-	1,010,625
Other receivables	1,553,939	8,147	18,610	10,930	-	1,591,626	1,429,445	112,624	10,578	619,185	-	2,171,832
Prepaid expenses and deferred charges	169,575	7,733	50,206	60,264	-	287,778	181,358	4,937	46,624	15,294	-	248,213
Investments	8,821,428	-	-	2,024,965	-	10,846,393	10,625,541	-	-	2,480,948	-	13,106,489
Property and equipment - net	10,267,930	4,616,643	3,473,666	2,095,761	-	20,454,000	11,716,731	2,357,103	3,660,882	2,123,906	-	19,858,622
Due from related party	429,900	-	-	-	-	429,900	742,089	-	-	-	-	742,089
Undistributed food on hand	-	-	-	1,962,669	-	1,962,669	-	-	-	2,148,910	-	2,148,910
Due (to) from affiliate	1,423,766	(2,488,030)	570,596	-	493,668	-	1,059,944	(1,584,306)	140,255	8,695	375,412	-
Total assets	\$ 33,149,195	\$ 3,303,402	\$ 5,515,019	\$ 12,620,306	\$ (600,000)	\$ 53,987,922	\$ 44,408,004	\$ 1,731,118	\$ 5,419,412	\$ 13,797,695	\$ (600,000)	\$ 64,756,229
<b>LIABILITIES AND NET ASSETS</b>												
<b>Liabilities:</b>												
Accounts payable and accrued expenses	\$ 2,006,546	\$ 433,615	\$ 500,858	\$ 234,376	\$ -	\$ 3,175,395	\$ 5,812,933	\$ 340,733	\$ 303,122	\$ 543,773	\$ -	\$ 7,000,561
Deferred revenue	59,501	-	-	-	-	59,501	96,612	-	-	-	-	96,612
Unemployment accrual	124,010	11,273	4,224	12,277	-	151,784	114,641	8,034	3,609	17,777	-	144,061
Accrual for uninsured claims	3,207,500	-	-	-	-	3,207,500	2,650,000	-	-	-	-	2,650,000
Loans payable	103,612	-	-	-	-	103,612	128,114	-	-	-	-	128,114
Funds held for others	806,302	15,591	-	-	(600,000)	221,893	766,771	34,012	-	-	(600,000)	200,783
Total liabilities	6,307,471	460,479	505,082	246,653	(600,000)	6,919,685	9,569,071	382,779	306,731	561,550	(600,000)	10,220,131
<b>Net assets:</b>												
Unrestricted	10,327,921	2,735,474	4,212,247	8,138,091	-	25,413,733	15,340,956	1,250,155	3,296,615	8,805,700	-	28,693,426
Temporarily restricted	15,602,998	107,449	797,690	3,235,562	-	19,743,699	18,386,710	98,184	1,816,066	3,276,133	-	23,577,093
Permanently restricted	910,805	-	-	1,000,000	-	1,910,805	1,111,267	-	-	1,154,312	-	2,265,579
Total net assets	26,841,724	2,842,923	5,009,937	12,373,653	-	47,068,237	34,838,933	1,348,339	5,112,681	13,236,145	-	54,536,098
Total liabilities and net assets	\$ 33,149,195	\$ 3,303,402	\$ 5,515,019	\$ 12,620,306	\$ (600,000)	\$ 53,987,922	\$ 44,408,004	\$ 1,731,118	\$ 5,419,412	\$ 13,797,695	\$ (600,000)	\$ 64,756,229

See accompanying independent auditors' report.



**CONSOLIDATING STATEMENT OF ACTIVITIES, CONTINUED**

For the year ended June 30, 2009

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## CONSOLIDATING STATEMENT OF ACTIVITIES

## Revenues

See accompanying independent auditors' report.

**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES**  
**NEW ORLEANS, LOUISIANA**

**CONSOLIDATING STATEMENT OF ACTIVITIES, CONTINUED**

For the year ended June 30, 2008

	Second Harvest			Totals		
	Unrestricted	Temporarily Restricted	Permanently Restricted	Unrestricted	Temporarily Restricted	Permanently Restricted
<b>Revenues</b>						
Public support:						
Contributions	\$ 2,399,974	\$ 1,393,538	\$ -	\$ 4,891,109	\$ 4,453,369	\$ 7,927
Contributions - undesignated	-	-	-	1,955,659	-	-
Contributed goods and services	16,134,194	-	-	17,701,517	-	-
United Way						
Greater New Orleans:						
Allocations	61,200	-	-	61,200	1,456,482	-
Designations	47,667	-	-	111,286	-	-
Combined Federal Campaign	13,347	-	-	27,496	-	-
St. Charles Parish:						
Allocations	50,300	-	-	50,300	125,000	-
St. John Parish:						
Allocations	-	-	-	70,000	-	-
Acadiana:						
Allocations	25,952	-	-	25,952	-	-
Special events (net of direct costs)	9,509	-	-	182,952	-	-
Total public support	18,742,143	1,393,538	-	25,077,471	6,034,851	7,927
Governmental financial assistance:						
Federal	1,923,869	-	-	31,186,809	-	-
Other governmental agencies	5,000,000	-	-	6,010,377	-	-
Total governmental financial assistance	6,923,869	-	-	37,197,186	-	-
Other Revenue:						
Program service fees	20,712	-	-	2,400,187	-	-
Rent	9,732	-	-	174,057	-	-
Miscellaneous	5,059	-	-	123,154	-	-
Property recoveries	-	-	-	1,431,639	-	-
Net assets released from restrictions - operations	1,074,919	(1,001,446)	(73,473)	12,203,228	(12,067,190)	(136,038)
Total other revenue	1,110,422	(1,001,446)	(73,473)	16,332,265	(12,067,190)	(136,038)
Total revenue	26,776,434	392,092	(73,473)	78,606,922	(6,032,339)	(128,111)
<b>Expenses</b>						
Program services	24,936,335	-	-	70,256,906	-	-
Management and general	537,624	-	-	3,046,943	-	-
Fundraising	524,706	-	-	990,754	-	-
Total expenses	25,998,665	-	-	74,294,603	-	-
Change in net assets before investment income(loss)	777,769	392,092	(73,473)	4,312,319	(6,032,339)	(128,111)
Investment income (loss)	173,128	-	(123,528)	(283,246)	(207,205)	(213,384)
Change in net assets	950,897	392,092	(197,001)	4,029,073	(6,239,544)	(341,495)
<b>Net assets</b>						
Beginning of year	7,854,803	2,884,041	1,351,313	24,664,353	29,816,637	2,607,074
End of year	\$ 8,805,700	\$ 3,276,133	\$ 1,154,312	\$ 28,693,426	\$ 23,577,093	\$ 2,265,579

See accompanying independent auditors' report.

**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES**  
**NEW ORLEANS, LOUISIANA**

**CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES**

For the year ended June 30, 2009  
(with comparative totals for 2008)

	Catholic Charities				PHILMAT				PACE			
	Program Services	Management and General	Fund-raising	Total	Program Services	Management and General	Fund-raising	Total	Program Services	Management and General	Fund-raising	Total
Salaries	\$ 15,283,669	\$ 1,094,756	\$ 189,100	\$ 16,567,525	\$ 2,441,085	\$ 219,012	\$ 34,718	\$ 2,694,815	\$ 1,574,987	\$ 156,983	\$ 25,690	\$ 1,757,660
Employee benefits	2,123,550	127,614	23,961	2,275,125	317,976	25,530	4,399	347,905	159,093	18,299	3,255	180,647
Payroll Taxes	1,075,143	77,548	14,167	1,166,858	172,405	15,514	2,601	190,520	102,539	11,120	1,925	115,584
Total salaries and related expenses	18,482,362	1,299,918	227,228	20,009,508	2,931,466	260,056	41,718	3,233,240	1,836,619	186,402	30,870	2,053,891
Professional fees and contract services	1,397,089	185,719	102,074	1,684,882	220,595	37,154	18,741	276,490	982,600	26,631	13,867	1,023,098
Supplies and other operating expenses	1,634,924	57,912	24,316	1,717,152	324,517	11,586	4,464	340,567	156,107	8,304	3,304	167,715
Equipment expense	406,189	35,395	3,093	444,677	120,865	7,081	568	128,514	73,864	5,076	420	79,360
Occupancy	1,894,280	135,156	11,896	2,041,332	482,565	27,039	2,184	511,788	141,460	19,381	1,616	162,457
Travel and transportation	326,077	3,181	2,030	331,288	507,468	636	373	508,477	84,722	456	276	85,454
Personnel recruitment and development	127,739	32,843	3,071	163,653	10,979	6,570	564	18,113	49,081	4,710	417	54,208
Insurance	388,329	526	86	388,941	239,199	105	16	239,320	124,483	75	12	124,570
Food	620,144	414	8	620,566	4,421	83	2	4,506	62,874	59	1	62,934
Distributions to LFBA	-	-	-	-	-	-	-	-	-	-	-	-
Contributed goods and services	1,005,535	-	-	1,005,535	-	-	-	-	-	-	-	-
Litigation	557,500	-	-	557,500	-	-	-	-	-	-	-	-
Miscellaneous	79,246	19,695	24,546	123,487	4,118	3,940	4,507	12,565	3,740	2,824	3,335	9,899
Specific assistance to individuals	3,798,303	-	-	3,798,303	495,653	-	-	495,653	1,125,164	-	-	1,125,164
Interest	10,837	675	-	11,512	-	135	-	135	-	97	-	97
Amortization	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation	936,705	47,917	2,736	987,358	270,093	9,586	502	280,181	246,210	6,871	372	253,453
Total expenses	\$ 31,665,259	\$ 1,819,351	\$ 401,084	\$ 33,885,694	\$ 5,611,939	\$ 363,971	\$ 73,639	\$ 6,049,549	\$ 4,898,342	\$ 260,886	\$ 54,490	\$ 5,213,718

(continued)



**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES**  
**NEW ORLEANS, LOUISIANA**

**CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES, CONTINUED**

For the year ended June 30, 2009  
(with comparative totals for 2008)

	Second Harvest				2009 Consolidated Totals				2008 Consolidated Totals	
	Program Services	Management and General	Fund-raising	Total	Program Services	Management and General	Fund-raising	Total		
Salaries	\$ 1,141,670	\$ 343,659	\$ 268,641	\$ 1,753,970	\$ 20,441,411	\$ 1,814,410	\$ 518,149	\$ 22,773,970	\$	\$ 25,736,040
Employee benefits	115,574	63,599	28,169	207,342	2,716,193	235,042	59,784	3,011,019		2,297,855
Payroll Taxes	83,907	24,167	19,926	128,000	1,433,994	128,349	38,619	1,600,962		1,877,746
Total salaries and related expenses	1,341,151	431,425	316,736	2,089,312	24,591,598	2,177,801	616,552	27,385,951		29,911,641
Professional fees and contract services	326,177	138,651	16,092	480,920	2,926,461	388,155	150,774	3,465,390		3,283,518
Supplies and other operating expenses	334,530	39,290	286,037	659,857	2,450,078	117,092	318,121	2,885,291		2,948,776
Equipment expense	70,155	10,001	1,414	81,570	671,073	57,553	5,495	734,121		867,423
Occupancy	383,142	6,259	28,432	417,833	2,901,447	187,835	44,128	3,133,410		3,392,364
Travel and transportation	654,218	3,308	2,270	659,796	1,572,485	7,581	4,949	1,585,015		1,323,047
Personnel recruitment and development	141,881	37,001	7,071	185,953	329,680	81,124	11,123	421,927		520,039
Insurance	50,781	-	-	50,781	802,792	706	114	803,612		682,370
Food	27,805,420	-	60,076	27,865,496	28,492,859	556	60,087	28,553,502		20,248,941
Distributions to LFBA	2,431,000	-	-	2,431,000	2,431,000	-	-	2,431,000		2,532,993
Contributed goods and services	-	-	-	-	1,005,535	-	-	1,005,535		1,557,674
Litigation	-	-	-	-	557,500	-	-	557,500		550,000
Miscellaneous	11,028	11,339	4,720	27,087	98,132	37,798	37,108	173,038		46,089
Specific assistance to individuals	-	-	-	-	5,419,120	-	-	5,419,120		4,797,244
Interest	-	-	-	-	10,837	907	-	11,744		21,398
Amortization	-	-	-	-	11,418	-	-	11,418		10,467
Depreciation	-	-	-	-	1,691,536	69,688	4,660	1,765,884		1,600,619
Total expenses	\$ 33,788,011	\$ 682,588	\$ 723,898	\$ 35,194,497	\$ 75,963,551	\$ 3,126,796	#####	\$ 80,343,458	\$	\$ 74,294,603

See accompanying independent auditors' report.

**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES  
NEW ORLEANS, LOUISIANA**

**CONSOLIDATING SCHEDULE OF ACTIVITIES BY PROGRAM SERVICES**

For the year ended June 30, 2009

	Catholic Charities Archdiocese of New Orleans					PHILMAT			Second Harvest	2009 Consolidated Totals
	Hope Haven	Head Start	Adult Day Health Care	Adult Day Pediatrics and Adult	Community Centers and Services	Non-Residential Day Programs	Totals	Food for Families		
<b>Revenues</b>										
Public support:										
Contributions	\$ 1,425	\$ 1,802	\$ 7,135	\$ 22,700	\$ 1,736,625	\$ 379,428	\$ 2,251,393	\$ 2,024	\$ 137,622	\$ 5,538,136
Contributions - undesignated	84,048	162,795	39,852	183,895	352,934	184,321	1,293,617	263,332	303,906	1,662,499
Contributed goods and services	20,900	457,829	52,200	1,573	-	159,820	1,037,535	-	-	22,195,503
United Way	-	-	-	-	-	-	-	-	-	-
Greater New Orleans:										
Allocations	-	-	-	-	-	-	-	-	-	-
Designations	4,519	8,752	2,143	9,887	19,197	16,564	70,972	14,157	16,338	100,000
Combined Federal Campaign	2,036	3,944	966	4,455	8,551	6,924	31,342	6,380	7,363	145,843
St. Charles Parish:										
Allocations	-	-	-	-	-	-	-	-	-	-
St. John Parish:	-	-	-	-	-	-	-	-	-	-
Allocations	-	-	-	-	-	-	-	-	-	-
Acadiana:										
Allocations	-	-	-	-	-	-	-	-	-	-
Special events (net of direct costs)	-	-	-	-	-	-	-	-	-	-
Total public support	112,928	635,132	102,296	229,510	2,124,573	461,320	4,923,394	285,893	478,329	29,998,650
Governmental financial assistance:										
Federal	45,818	3,184,475	335,561	4,174,314	936,484	3,245,223	14,692,603	3,990,897	4,671,214	28,952,554
Other governmental agencies	46,009	-	-	-	527,516	338,756	1,246,736	-	52,008	6,398,744
Total governmental financial assistance	91,827	3,184,475	335,561	4,174,314	1,464,000	3,783,979	15,939,339	3,990,897	4,723,222	35,251,298
Other Revenue:										
Program service fees	-	-	527,126	217,219	290,428	182,234	2,485,727	-	54,357	2,440,234
Rent	1,900	-	-	-	7,266	525	117,834	-	6,070	119,393
Miscellaneous	17,062	7,879	1,725	8,498	1,782	9,085	33,603	18,693	20,451	150,641
Gain (loss) on disposition of property	(833,666)	-	(2,357)	-	(3,067)	-	(839,090)	-	9,266	(829,824)
Property recoveries	5,438	-	-	-	378	1,460	7,276	2,101,827	2,101,827	2,109,103
Net assets released from restrictions	-	271,356	62,697	-	4,169,324	1,315,158	7,190,129	44,833	310,088	9,066,391
Total other revenue	(809,266)	279,235	589,191	225,717	4,480,099	1,507,937	8,937,327	2,165,353	2,502,059	13,153,938
Total revenue	(604,511)	4,098,832	1,027,048	4,622,541	8,068,672	5,753,236	29,799,060	6,442,143	7,703,610	78,403,886
<b>Expenses</b>										
Salaries	532,318	2,146,252	479,893	2,600,836	3,311,304	2,534,511	15,283,669	1,927,702	513,383	20,441,411
Employee benefits	243,882	294,423	66,686	319,621	401,444	282,632	2,123,550	271,322	46,654	2,716,193
Payroll taxes	45,665	150,794	33,179	185,047	222,237	176,558	1,075,143	133,037	39,368	1,531,994
Total salaries and related expenses	821,865	2,591,469	579,758	3,105,504	3,934,985	2,993,701	18,482,362	2,332,061	599,405	24,391,598
Professional fees and contract service payments	18,768	65,303	28,206	119,164	338,239	383,433	1,397,089	200,522	20,073	2,926,461
Supplies and other operating expenses	3,581	151,722	23,266	516,681	502,044	126,941	1,634,924	304,030	20,487	2,450,078
Equipment expense	25,440	46,479	11,631	45,151	99,916	96,788	406,189	115,142	5,723	73,864
Occupancy	146,491	282,518	89,382	256,465	503,557	293,610	1,894,280	417,610	64,955	2,901,447
Travel and transportation	4,395	1,084	24,029	99,424	105,774	28,651	326,077	481,448	26,020	654,218
Personnel recruitment and development	(1,232)	7,316	2,426	7,291	41,945	54,914	127,739	5,055	5,924	329,680
Insurance	119,641	20,875	13,778	77,581	49,341	39,374	388,329	221,800	17,399	802,792
Food	5,868	182,568	102,372	208,486	9,075	111,730	620,144	931	4,421	28,492,859
Distributions to LFBA	-	-	-	-	-	-	-	-	-	2,431,000
Contributed goods and services	20,900	457,829	52,200	1,573	-	127,820	345,213	-	-	1,005,535
Management and general	111,884	204,524	66,500	307,203	392,143	429,578	1,819,351	308,503	55,468	3,126,796
Litigation	557,500	-	-	-	-	-	557,500	-	-	-
Miscellaneous	1,940	1,098	64,415	4,254	362	6,923	79,246	4,045	4,118	98,132
Specific assistance to individuals	(9,370)	814	1,556	1,872,244	1,094,914	1,094,914	3,798,303	-	495,653	5,419,120
Fundraising	29,847	55,695	14,113	65,920	90,865	64,272	401,084	62,417	73,639	1,253,111
Interest	49	-	-	10,332	456	-	10,837	-	-	10,837
Amortization	-	-	-	-	-	-	-	-	-	-
Depreciation	366,186	147,056	9,332	100,160	45,316	168,816	936,705	256,870	13,223	1,691,536
Total expenses	2,223,753	4,216,350	1,083,564	4,964,254	8,006,262	5,852,922	33,883,694	4,710,434	6,049,549	80,343,438
Change in net assets before investment loss	(2,828,264)	(117,518)	(56,516)	(341,713)	62,410	(99,686)	(705,347)	1,731,709	(77,648)	(420,631)
Investment loss	(179,335)	(94,226)	(25,488)	(108,761)	(206,602)	(120,182)	(926,401)	(142,935)	(25,807)	(1,342,121)
Change in net assets	\$ (3,007,699)	\$ (211,744)	\$ (81,904)	\$ (450,474)	\$ (144,192)	\$ (219,868)	\$ (5,613,035)	\$ (1,588,774)	\$ (103,455)	\$ (3,729,693)

(continued)

**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES  
NEW ORLEANS, LOUISIANA**

**CONSOLIDATING SCHEDULE OF ACTIVITIES BY PROGRAM SERVICES, CONTINUED**

For the year ended June 30, 2009  
(with comparative totals for 2008)

	Hope Haven	Head Start	Second Harvest	Food for Families	Adult Day Health Care	PACE	Pediatric and Adult	Community Centers and Services	Residential Special Needs	Non-Residential Day Programs	2009	2008
<b>Revenues</b>												
Public support:												
Contributions	\$ 1,425	\$ 1,802	\$ 3,020,105	\$ 2,024	\$ 7,135	\$ 129,016	\$ 22,700	\$ 1,872,223	\$ 102,278	\$ 379,428	\$ 5,538,136	\$ 4,891,109
Contributions - undesignated	84,048	162,795	-	263,332	39,852	64,976	183,895	393,508	184,321	285,772	1,662,499	1,955,659
Contributed goods and services	20,900	457,829	21,161,968	-	52,200	-	1,573	-	159,820	345,213	22,199,503	17,701,517
United Way	-	-	-	-	-	-	-	-	-	-	-	-
<b>Greater New Orleans:</b>												
Allocations	-	-	100,000	-	-	-	-	-	-	-	100,000	61,200
Designations	4,519	8,752	50,239	14,157	2,143	8,294	9,887	21,378	9,910	16,564	145,843	111,286
Combined Federal Campaign	2,036	3,944	32,195	6,380	966	3,738	4,455	9,534	4,466	6,924	74,638	27,496
<b>St. Charles Parish:</b>												
Allocations	-	-	10,000	-	-	-	-	-	-	46,910	56,910	50,300
<b>St. John Parish:</b>												
Allocations	-	-	-	-	-	-	-	-	-	65,000	78,100	70,000
<b>Acadiana:</b>												
Allocations	-	-	30,000	-	-	-	-	-	-	-	30,000	25,952
Special events (net of direct costs)	-	-	(12,604)	-	-	-	-	7,266	525	117,834	113,021	182,952
Total public support	112,928	635,122	24,391,903	285,893	102,296	206,024	222,510	2,317,009	461,520	1,263,645	29,998,650	23,077,471
<b>Governmental financial assistance:</b>												
Federal	45,818	3,184,475	4,828,276	3,990,897	335,561	4,760,461	4,174,314	1,616,801	3,245,223	2,770,728	28,952,354	31,186,809
Other governmental agencies	46,009	-	5,000,000	-	-	-	-	579,524	538,756	134,455	6,298,744	6,010,377
Total governmental financial assistance	91,827	3,184,475	9,828,276	3,990,897	335,561	4,760,461	4,174,314	2,196,325	3,783,979	2,905,183	35,251,298	37,197,186
<b>Other Revenue:</b>												
Program service fees	-	-	150	-	527,126	-	217,219	344,785	182,234	1,268,720	2,540,234	2,400,187
Rent	1,900	-	18,717	-	-	90,924	-	7,852	-	-	119,393	174,057
Miscellaneous	17,062	7,879	39,655	18,693	1,725	6,932	8,498	23,012	9,085	18,100	150,641	123,154
Gain or loss on disposal of property	(833,666)	-	-	-	(2,357)	-	-	6,199	-	-	(829,824)	-
Property recoveries	5,438	-	-	-	-	-	-	378	-	-	2,109,103	1,431,639
Net assets released from restrictions	-	271,356	495,165	44,833	62,697	1,065,009	-	4,434,579	1,315,158	1,377,594	9,066,391	12,203,228
Total other revenue	(809,266)	279,232	553,687	2,163,353	589,191	1,162,865	225,717	4,816,805	1,507,937	2,664,414	13,155,931	16,312,265
Total revenue	(604,517)	4,098,832	34,773,866	6,442,743	1,027,048	6,229,530	4,622,541	9,330,139	5,753,236	6,833,242	78,405,886	78,606,922
<b>Expenses</b>												
Salaries	532,318	2,146,252	1,141,670	1,927,702	479,893	1,574,987	2,600,836	3,824,687	2,534,511	3,678,555	20,441,411	23,501,522
Employee benefits	243,882	294,423	115,574	271,322	66,686	159,093	319,621	448,098	282,632	514,862	2,716,193	2,089,079
Payroll taxes	45,665	150,794	83,907	133,037	31,179	102,539	183,047	261,605	176,558	261,663	1,433,594	1,742,960
Total salaries and related expenses	821,865	2,591,469	1,341,151	2,332,061	577,758	1,836,619	3,103,504	4,534,390	2,993,701	4,455,080	24,591,598	27,331,561
Professional fees and contract service payments	18,768	65,303	336,177	200,522	28,206	982,600	119,164	378,312	383,433	423,976	2,926,461	2,788,408
Supplies and other operating expenses	3,581	151,722	334,530	304,030	23,266	156,107	516,681	522,531	126,941	310,689	2,450,678	2,583,719
Equipment expense	25,440	46,479	70,155	115,142	11,631	73,864	45,151	105,639	96,788	80,784	671,073	794,126
Occupancy	146,491	282,518	383,142	417,610	89,382	141,460	256,465	568,512	293,610	322,257	2,901,447	3,193,315
Travel and transportation	4,395	1,084	654,218	481,448	24,629	84,722	99,424	131,794	28,651	62,120	1,572,485	1,305,603
Personnel recruitment and development	(1,232)	7,316	141,881	5,055	2,426	49,081	7,291	47,869	15,079	54,914	329,680	394,938
Insurance	119,641	20,875	50,781	221,800	13,778	124,483	77,581	66,740	39,374	67,739	802,792	642,503
Food	5,868	182,568	27,805,420	931	102,372	62,874	206,486	12,565	111,730	2,045	28,492,859	20,248,941
Distributions to LFBs	-	-	2,431,000	-	-	-	-	-	-	-	2,431,000	2,497,133
Contributed goods and services	20,900	457,829	-	308,503	52,200	260,886	307,203	447,611	127,820	345,213	1,005,535	1,557,674
Management and general	111,884	204,524	682,588	-	66,500	-	-	-	307,519	429,578	3,126,796	3,046,943
Litigation	557,500	-	-	-	-	-	-	-	-	-	557,500	550,000
Miscellaneous	1,940	1,098	11,028	4,045	64,415	3,740	4,254	435	254	6,923	98,132	1,152
Specific assistance to individuals	(9,370)	814	-	-	1,556	1,125,164	41,065	2,367,897	1,094,934	797,060	5,419,120	4,797,244
Fundraising	29,847	55,695	723,898	62,417	14,113	54,490	65,920	102,087	64,272	80,372	1,253,111	990,754
Interest	49	-	-	-	-	-	-	456	-	-	10,837	14,105
Amortization	-	-	-	-	-	-	-	-	-	-	11,418	10,467
Depreciation	366,186	147,956	238,528	256,870	9,332	246,210	100,160	58,539	168,816	99,839	1,691,536	1,531,657
Total expenses	2,223,753	4,216,350	35,194,497	4,710,434	1,083,564	5,213,718	4,964,254	9,345,377	5,852,922	7,538,589	80,343,458	74,294,603
Change in net assets before investment loss	(2,828,264)	(117,518)	(420,631)	1,731,709	(56,516)	915,632	(741,713)	(15,238)	(705,347)	(99,686)	(1,937,572)	4,312,319
Investment loss	(179,434)	(94,260)	(246,978)	(142,975)	(25,388)	(142,975)	(108,761)	(232,409)	(120,182)	(191,808)	(1,342,121)	(283,246)
Change in net assets	\$ (3,007,698)	\$ (211,778)	\$ (667,609)	\$ 1,588,734	\$ (81,904)	\$ 915,632	\$ (450,474)	\$ (247,647)	\$ (219,868)	\$ (897,155)	\$ (3,279,693)	\$ (4,273,073)

See accompanying independent auditors' report

**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS AND SUBSIDIARIES**  
**NEW ORLEANS, LOUISIANA**

**SCHEDULE OF SUPPORT, REVENUE, AND EXPENSES PREPARED  
FOR THE UNITED WAY FOR THE GREATER NEW ORLEANS AREA**

For the year ended June 30, 2009  
(Unaudited)

FORM 1

FUNCTIONAL BUDGET SPREADSHEET		AGENCY TOTAL (SUM 2 + 3)	ADMINISTRATION FUNDRAISING Management & General	TOTAL PROGRAM SERVICES SUM (4 to 13)	Adult Day Health Care	Hopewell Haven	Head Start	Pediatrics & Adults	Community Centers & Services	Residential Special Needs	Non-Residential Day Programs	Food for Families	PACE	Second Harvest
REVENUE: (For United Way request, indicate Goal Areas)		1	2	3	4	5	6	7	8	9	10	11	12	13
1	4201 CLIENT GENERATED SELF SUPPORT	\$ 27,384,029	-	\$ 27,384,029	\$ 98,187	\$ 106,373	\$ 621,641	\$ 192,033	\$ 565,986	\$ 424,827	\$ 953,238	\$ 371,305	\$ 114,760	\$ 23,935,689
2	5000 GOVERNMENT GRANTS/CONTRACTS	35,314,253	-	35,314,253	335,561	91,827	3,184,475	4,174,314	2,233,205	3,810,054	2,903,183	3,990,897	4,760,461	9,828,276
3	4800 OTHER FOUNDATIONS OR NATIONAL GRANTS	6,412,057	-	6,412,057	1,000	-	15,216	16,135	4,875,900	362,342	434,216	1,500	125,865	559,880
4	6700 OTHER REVENUE	1,889,510	-	1,889,510	501,106	(1,491,842)	(86,347)	116,936	149,817	72,597	894,550	1,977,585	97,856	(642,768)
5	TOTAL SELF GENERATED REVENUE	70,999,849	-	70,999,849	935,854	(1,293,442)	3,734,985	4,409,438	7,824,911	4,669,820	5,207,177	6,341,287	5,098,942	33,981,077
6	4702 UNITED WAY DESIGNATIONS	145,843	-	145,843	2,143	4,519	8,732	9,887	21,378	9,910	16,564	14,157	8,294	50,239
7	4700 CFC DESIGNATIONS	74,638	-	74,638	966	2,036	3,944	4,455	9,534	4,466	6,924	6,380	3,758	32,195
8	4704 OTHER UNITED WAY GRANTS	-	-	-	-	-	-	-	-	-	-	-	-	0
9	TOTAL REVENUE	71,220,330	-	71,220,330	938,963	(1,287,087)	3,747,681	4,513,780	7,855,823	4,684,196	5,220,665	6,361,824	5,110,974	34,003,311
10	4701 UNITED WAY GNO	1,666,723	-	1,666,723	82,992	-	244,000	-	387,166	177,000	497,615	-	-	279,950
11	GRAND TOTAL REVENUE	\$ 72,887,053	-	\$ 72,887,053	\$ 1,021,955	\$ (1,287,087)	\$ 3,991,681	\$ 4,513,780	\$ 8,242,989	\$ 4,861,196	\$ 5,718,280	\$ 6,361,824	\$ 5,110,974	\$ 34,343,461
EXPENSES:														
12	7000 SALARIES	\$ 22,773,970	\$ 2,332,559	\$ 20,441,411	\$ 479,893	\$ 532,318	\$ 2,146,252	\$ 2,600,836	\$ 3,824,687	\$ 2,534,511	\$ 3,678,535	\$ 1,927,702	\$ 1,574,987	\$ 1,141,670
13	7100 BENEFITS	3,011,019	294,826	2,716,193	66,086	243,882	294,423	319,621	448,098	283,632	514,862	271,322	159,093	115,574
14	7200 TAXES	1,600,902	166,968	1,433,934	33,179	45,665	150,794	181,047	261,605	176,558	261,663	133,037	102,539	83,907
15	8400 OCCUPANCY EXPENSES	3,133,410	231,963	2,901,447	89,382	146,691	283,518	226,465	568,512	293,610	322,237	417,610	141,460	383,142
16	8700 TRAVEL & TRANSPORTATION EXP.	1,585,015	12,530	1,572,485	24,629	4,395	1,084	99,424	131,794	28,651	62,120	481,448	84,722	654,218
17	8100 SUPPLIES	2,771,901	435,213	2,336,688	23,266	3,581	151,722	516,681	522,531	126,941	310,689	304,030	156,107	221,140
18	8600 PRINTING	-	-	-	-	-	-	-	-	-	-	-	-	-
19	8900 DIRECT ASSISTANCE TO INDIVIDUALS	37,409,157	60,643	37,348,514	156,128	17,598	641,211	249,124	2,380,462	1,334,484	1,144,318	931	1,188,038	30,236,420
20	9400 OTHER	8,058,024	845,205	7,212,819	129,788	1,088,292	288,127	363,933	657,990	703,744	734,175	803,434	1,491,396	951,940
21	GRAND TOTAL EXPENSES	\$ 80,343,458	\$ 4,379,907	\$ 75,963,551	\$ 1,002,951	\$ 2,082,022	\$ 3,956,131	\$ 4,591,131	\$ 8,795,679	\$ 5,481,131	\$ 7,028,639	\$ 4,339,514	\$ 4,898,342	\$ 33,788,011
22	NET DIFFERENCE	\$ (7,456,405)	\$ (4,379,907)	\$ (3,076,498)	\$ 19,004	\$ (3,369,109)	\$ 33,550	\$ (77,351)	\$ (532,690)	\$ (619,935)	\$ (1,300,359)	\$ 2,022,310	\$ 212,632	\$ 553,450
EXPENSES ANALYSIS														
23	Total Direct Program Expenses	\$ 1,002,951	\$ 2,082,022	\$ 3,956,131	\$ 1,002,951	\$ 2,082,022	\$ 3,956,131	\$ 4,591,131	\$ 8,795,679	\$ 5,481,131	\$ 7,028,639	\$ 4,339,514	\$ 4,898,342	\$ 33,788,011
24	Percent of Total Program Expenses	1.37%	2.74%	5.21%	1.37%	2.74%	5.21%	6.04%	11.48%	7.22%	9.25%	5.71%	6.45%	44.48%
25	Distribution of M & G Expenses	\$ 80,613	\$ 141,731	\$ 260,219	\$ 80,613	\$ 141,731	\$ 260,219	\$ 373,123	\$ 549,698	\$ 371,791	\$ 509,958	\$ 370,920	\$ 315,376	\$ 1,406,486
26	Grand Total Program Expenses	\$ 1,083,564	\$ 2,223,753	\$ 4,216,350	\$ 1,083,564	\$ 2,223,753	\$ 4,216,350	\$ 4,964,254	\$ 9,345,377	\$ 5,852,922	\$ 7,538,597	\$ 4,710,434	\$ 5,212,718	\$ 35,194,497
27	Projected Unclap. People Served	123	35	620	123	35	620	75	11,346	774	8,429	65,000	64	23,627,557 lbs
28	Cost per Person	\$ 8,809	\$ 63,536	\$ 6,801	\$ 8,809	\$ 63,536	\$ 6,801	\$ 66,190	\$ 823	\$ 7,562	\$ 894	\$ 72	\$ 81,464	\$ 1.49

See accompanying independent auditors' report.

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**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS**  
**AND SUBSIDIARIES**

**SINGLE AUDIT REPORT**

**JUNE 30, 2009**

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**P&N** Postlethwaite  
& Netterville

A Professional Accounting Corporation

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**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS**  
**New Orleans, Louisiana**

**Single Audit Reports**

**June 30, 2009**

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT  
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

Most Reverend Gregory M. Aymond and the Board of Directors,  
Catholic Charities Archdiocese of New Orleans and Subsidiaries, New Orleans, Louisiana

We have audited the basic financial statements of Catholic Charities Archdiocese of New Orleans (the Agency), as of and for the year ended June 30, 2009, and have issued our report thereon dated December 7, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Agency's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control over financial reporting.

A *control deficiency* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies that adversely affects the Agency's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Agency's financial statements that is more than inconsequential will not be prevented or detected by the Agency's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Agency's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those

provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information of the Agency, the Agency's management, and federal awarding agencies and pass-through entities, such as the State of Louisiana and Legislative Auditor's Office, and is not intended to be and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*PostHearthwaite - Metairie*

Metairie, Louisiana  
December 7, 2009



**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

Most Reverend Gregory M. Aymond and the Board of Directors,  
Catholic Charities Archdiocese of New Orleans and Subsidiaries, New Orleans, Louisiana

Compliance

We have audited the compliance of Catholic Charities Archdiocese of New Orleans (the Agency) with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2009. The Agency's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Agency's management. Our responsibility is to express an opinion on the Agency's compliance based on our audit.

The Agency's basic financial statements include the operations of the Second Harvest Food Bank of Greater New Orleans and Acadiana (the Organization) which received \$4,828,276 in federal awards which is not included in the schedule of expenditures of federal awards for the year ended June 30, 2009. Our audit, described below, did not include the operations of the Organization as the Organization engaged its own auditors to perform an audit in accordance with OMB Circular A-133.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Agency's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Agency's compliance with those requirements.

In our opinion, the Agency complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009.

Internal Control Over Compliance

The management of the Agency is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Agency's internal control over

compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control over compliance.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of deficiencies, that results in a more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

#### Schedule of Expenditures of Federal Awards

We have audited the financial statements of the Agency, as of and for the year ended June 30, 2009, and have issued our report thereon dated December 7, 2009. Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information of the Agency, the Agency's management, and federal awarding agencies and pass-through entities, such as the State of Louisiana and Legislative Auditor's Office, and is not intended to be and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Postlethwaite & McHurtle*

Metairie, Louisiana  
December 7, 2009



**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS**  
**NEW ORLEANS, LOUISIANA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

For the year ended June 30, 2009

Federal Grantor/Pass-Through Grantor/ Program Title/Program Description	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
<b>U.S. Department of Agriculture</b>			
Direct Programs:			
Supplemental Nutrition Assistance Program	10.580	not known	\$ 45,873
Total - direct programs			45,873
Pass-through programs from:			
State of Louisiana Department of Education			
Department of Education			
Division of Nutrition Assistance			
School Breakfast Program			
Child Residential Care	10.553	not known	33,955
Child and Adult Care Food Program			
Child Day care	10.558	not known	265,959
Adult Day Health care	10.558	not known	61,278
Emergency Shelter	10.558	not known	12,988
Total - Child and Adult Care Food Program			340,225
Total - Louisiana Department of Education			374,180
Department of Health and Hospitals			
Office of Public Health			
Commodity Supplemental Food Program	10.565	42-0861/616114	3,990,897
Total - State of Louisiana			4,365,077
Total - U.S. Department of Agriculture			4,410,950
<b>U.S. Department of Housing and Urban Development</b>			
Direct Programs:			
Supporting Housing Program			
Transitional Housing	14.235	LA488-50-3020	314,881
Economic Development Initiative	14.251	not known	233,808
Total - direct programs			548,689
Pass-through programs from:			
Catholic Charities USA			
Housing Counseling Assistance Program	14.169	not known	9,593
City of New Orleans			
Community Development Block Grants	14.218	50-096(92)/PC750 24817	392,800
Emergency Shelter Grants Program			
Emergency Shelter Care	14.231	SESG 018	220,796
Housing Opportunities for Persons with AIDS			
AIDS Services	14.241	DC750-000000	124,790
Total - City of New Orleans			738,386
			(Continued)

**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS**  
**NEW ORLEANS, LOUISIANA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

For the year ended June 30, 2009

Federal Grantor/Pass-Through Grantor/ Program Title/Program Description	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
State of Louisiana Louisiana Public Health Institute Workforce Training	14.228	SESG 018	\$ 2,878
Parish of Jefferson Department of Community Development Programs Community Development Block Grants Emergency Shelter Care	14.218	not known	100,000
Emergency Shelter Grants Program Emergency Shelter Care	14.231	not known	193,984
Total - Parish of Jefferson			293,984
Unity Rapid Rehousing Transitional Housing	14.228	not known	693,212
UNITY for the Homeless, Inc. Supportive Housing Program Mental Health	14.235	not known	429,270
Transitional Housing	14.235	LA48-B-50-3019	164,654
Emergency Shelter Care	14.235	LA48-B-50-3032	28,478
Community Centers	14.235	LA48-B-50-3011	167,985
Total - UNITY for the Homeless, Inc.			790,387
Total pass-through programs			2,528,440
Total - U.S. Department of Housing and Urban Development			3,077,129
<b>U.S. Department of Justice</b> Pass-through programs from: <i>Louisiana Commission on Law Enforcement and Administration of</i> Criminal Justice Crime Victim Assistance Domestic Violence	16.575	not known	50,539
Rape Crisis	16.575	not known	100,201
Violence Against Women Formula Grants Domestic Violence	16.588	not known	717,300
Transitional Housing	16.736	not known	108,662
Pass-through program from: City of New Orleans - Office of Criminal Justice Domestic Violence	16.575	not known	185,482
Total - Louisiana Commission on Law Enforcement and Administration of Criminal Justice			1,162,184
City of New Orleans - Office of Criminal Justice Grants to Encourage Arrest Policies and Enforcement of Protection Orders Domestic Violence	16.590	not known	61,790
Supervised Visitation	16.527	not known	98,334
Total - City of New Orleans - Office of Criminal Justice			160,124
Total - U.S. Department of Justice			1,322,308

(Continued)

**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS**  
**NEW ORLEANS, LOUISIANA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

For the year ended June 30, 2009

Federal Grantor/Pass-Through Grantor/ Program Title/Program Description	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
<b>U.S. Department of Labor</b>			
Pass-through program from:			
Youthbuild USA			
Youthbuild	17.274	not known	\$ 409,616
Total - U.S. Department of Labor			<u>409,616</u>
<b>U.S. Department of State</b>			
Pass-through program from:			
United States Conference of Catholic Bishops			
Reception and Placement - direct	19.unk	not known	2,813
Reception and Placement - administration	19.XXX	not known	<u>4,543</u>
Total - U.S. Department of State			<u>7,356</u>
<b>U.S. Department of Education</b>			
Pass-through program from:			
State of Louisiana			
Department of Social Services			
Louisiana Commission for the Deaf			
Rehabilitation Services - Vocational Rehabilitation Grants			
Deaf action Center	84.126	not known	100,739
Department of Social Services			
Adult Education - Basic Grants to States	84.002	not known	45,270
Twenty-First Century Community Learning Centers	84.287	not known	<u>25,945</u>
Total - U.S. Department of Education			<u>171,954</u>
<b>U.S. Department of Health and Human Services</b>			
Pass-through programs from:			
State of Louisiana			
Department of Social Services			
Income Tax Assistance	93.558	not known	<u>30,845</u>
Office of Community Services			
Refugee and Entrant Assistance - State Administered Programs			
Refugee Social Services	93.566	not known	27,517
Refugee Social Services (PPP)	93.566	not known	<u>90,088</u>
Total - Refugee and Entrant Assistance			<u>117,605</u>
Social Services Block Grant			
Child Residential Care	93.667	not known	45,818
Therapeutic Family Services	93.667	not known	<u>427,904</u>
Total - Social Services Block Grant			<u>473,722</u>

(Continued)

**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS**  
**NEW ORLEANS, LOUISIANA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

For the year ended June 30, 2009

<b>Federal Grantor/Pass-Through Grantor/ Program Title/Program Description</b>	<b>Federal CFDA Number</b>	<b>Pass-Through Entity Identifying Number</b>	<b>Federal Expenditures</b>
Chaffee Foster Care Independence Program			
Independent Living - match	93.674	606911	370,000
Independent Living - ETVP	93.674	607033	120,744
Total - Chaffee Foster Care Independence Program			490,744
Total - Louisiana Department of Social Services			1,112,916
Office of the Governor/Office of Women's Policy			
Temporary Assistance for Needy Families (TANF)	93.558	644664	156,847
Family Violence Prevention and Services - Grants for Battered Women's Shelters	93.671	C05-9-014	245,500
Total - Office of the Governor/Office of Women's Policy			402,347
Total - State of Louisiana			1,515,263
Total Community Action, Inc.			
Head Start			
Child Day Care	93.600	06CH0473	2,918,513
Total - Total Community Action, Inc.			2,918,513
Metropolitan Human Services District			
Social Services Block Grant			
Yoyage House	93.667	06CH0474	26,619
Crescent House	93.667	06CH0474	120,469
Total - Metropolitan Human Services District			147,088
Primary Care Access & Stabilization			
Research, Demonstrations, and Evaluations	93.779	not known	138,896
Total - U.S. Department of Health and Human Services			4,719,760
Corporation for National and Community Service			
Direct program:			
Foster Grandparents Program			
Foster Grandparents	94.011	045FWLA001	338,515
Pass-through programs from:			
Louisiana Serve Commission			
Americorps	94.006	06-AC068537	462,986
Total - Corporation for National and Community Service			801,501

(Continued)

**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS**  
**NEW ORLEANS, LOUISIANA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

For the year ended June 30, 2009

<u>Federal Grantor/Pass-Through Grantor/ Program Title/Program Description</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
<b>U.S. Department of Homeland Security</b>			
Pass-through programs from:			
United Way of Greater New Orleans Emergency Food and Shelter National Board Program	97.024	not known	165,962
United Way of Greater New Orleans Emergency Food and Shelter National Board Program - ARRA	97.114	not known	<u>28,140</u>
Total - U.S. Department of Homeland Security			<u>194,102</u>
Total Expenditures of Federal Awards included in this report			<u><b>\$ 15,114,676</b></u>

See accompanying notes to schedule of expenditures of federal awards.

**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS**  
**New Orleans, Louisiana**

Notes to Schedule of Expenditures of Federal Awards

June 30, 2009

**(1) General**

The accompanying Schedule of Expenditures of Federal Awards presents the activity of the federal awards of Catholic Charities Archdiocese of New Orleans, PHILMAT, Inc., and PACE Greater New Orleans. The Agency's reporting entity is defined in note 1 to the financial statements for the year ended June 30, 2009. All federal awards received from federal agencies are included on the schedule.

**(2) Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting, which is described in note 1 to the Agency's financial statements for the year ended June 30, 2009.

The financial statements of Second Harvest Food Bank of Greater New Orleans and Acadiana (Second Harvest), a subsidiary of the Agency, are audited separately. A separate *Circular A-133* report on Second Harvest's federal awards was issued for the year ended June 30, 2009.

**(3) Relationship to Financial Statements**

Federal awards are included in the basic financial statements of the Agency as follows:

Schedule of Federal Awards	\$ 15,114,676
State funds	6,298,744
Office of Health and Hospitals -- Medicaid and Medicare	9,072,557
Second Harvest federal awards	<u>4,828,276</u>
Total governmental financial assistance	<u>\$ 35,314,253</u>



**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS**  
**New Orleans, Louisiana**

Schedule of Findings and Questioned Costs

Year ended June 30, 2009

(1) Summary of Auditors' Results

*Financial Statements*

Type of auditor's report issued: unqualified

Internal control over financial reporting:

- Material weakness(es) identified? no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? none reported

Noncompliance material to financial statements noted: no

*Federal Awards*

Internal control over major programs:

- Material weakness(es) identified? no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? none reported

Type of auditor's report issued on compliance for major programs: unqualified

Any audit findings which are required to be reported in accordance with section 510(a) of OMB Circular A-133? no

Identification of major programs:

U.S. Department of Housing and Urban Development	
Community Development Block Grant / Entitlement Grants	14.218
Community Development Block Grant / State's Program	14.228
Supporting Housing Program	14.235
U.S. Department of Justice	
Violence Against Women Formula Grants	16.588
U.S. Department of Health and Human Services	
Chafee Foster Care Independence Program	93.674
Corporation for National and Community Service	
AmeriCorps	94.006

**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS**  
**New Orleans, Louisiana**

Schedule of Findings and Questioned Costs

Year ended June 30, 2009

(1) Summary of Auditors' Results (continued)

Dollar threshold used to distinguish between Type A and Type B programs:	<u>\$453,440</u>
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Auditee qualified as a low-risk auditee?	<u>yes</u>
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(2) Findings relating to the financial statements reported in accordance  
with *Government Auditing Standards*:

none

(3) Findings and questioned costs relating to federal awards:

none

**CATHOLIC CHARITIES ARCHDIOCESE OF NEW ORLEANS**  
**New Orleans, Louisiana**

**Summary Schedule of Prior Audit Findings**

**Year ended June 30, 2009**

There were no audit findings in the prior year.